

PART VII

Farm Marketing and Level of Living

Location for Marketing

Douglas County is situated near the center of Washington State and is traversed by two cross-state highways. It is favorably located for marketing of farm products nationally and within the state. Most of the commercial crops and livestock products are hauled by truck to assembly points on branch lines of railroads and processing plants in neighboring counties such as Chelan, Grant, Okanogan and Spokane. Douglas County has a relatively small local population and its major commercial commodities such as wheat, barley, fruit and livestock must be transported considerable distances to reach ultimate consumer markets. Compared with other counties nearer major terminal markets, Douglas County farmers have higher transportation costs.

In terms of distance and time, Douglas County is within economic distance of Seattle and Spokane. Most of its shipping points are within 200 miles or five hours hauling time to Seattle. Spokane is nearer, being within 150 miles and faster travel time (3-4 hours) from most shipping points. Railroad time from shipping points at Wenatchee, Brewster and Ephrata are also favorable for freighting to Seattle or Spokane.

Transportation Facilities

In recent years, modernized cross-state highways and transcontinental railways together with better trucking and railroading equipment have lowered the time and costs involved in reaching shipping points for crops and livestock as well as processing plants and distant metropolitan markets.

Shipment of wheat and barley is a major marketing activity. This traffic uses State Highways 10 and 2 to reach major storage warehouses. Large volumes of Douglas County wheat also reach terminal markets on the Pacific Coast, Spokane and the Midwest over the Great Northern Railway system.

A large volume of commercial fruit is shipped from Wenatchee, Orondo and Bridgeport by way of the Great Northern Railway, which serves assembly and shipping points in Chelan and Okanogan Counties across the Columbia River from the Douglas County fruit area. Modern bridges across the Columbia River at Wenatchee and Brewster enable Douglas County fruit growers to pool their crops with shippers in Chelan and Okanogan Counties.

A recent survey by the Washington State Council for Highway Research found that Douglas County was served by 1,670 miles of roads capable of use for marketing farm products. This included 101 miles of primary hard-surfaced roads and 928 miles of gravelled and drained county roads traversing the wheat and fruit growing regions. An additional 541 miles of unimproved roads were passable by trucks hauling crops or livestock.

Total Value of Farm Products Sold in 1954: \$16,815,217

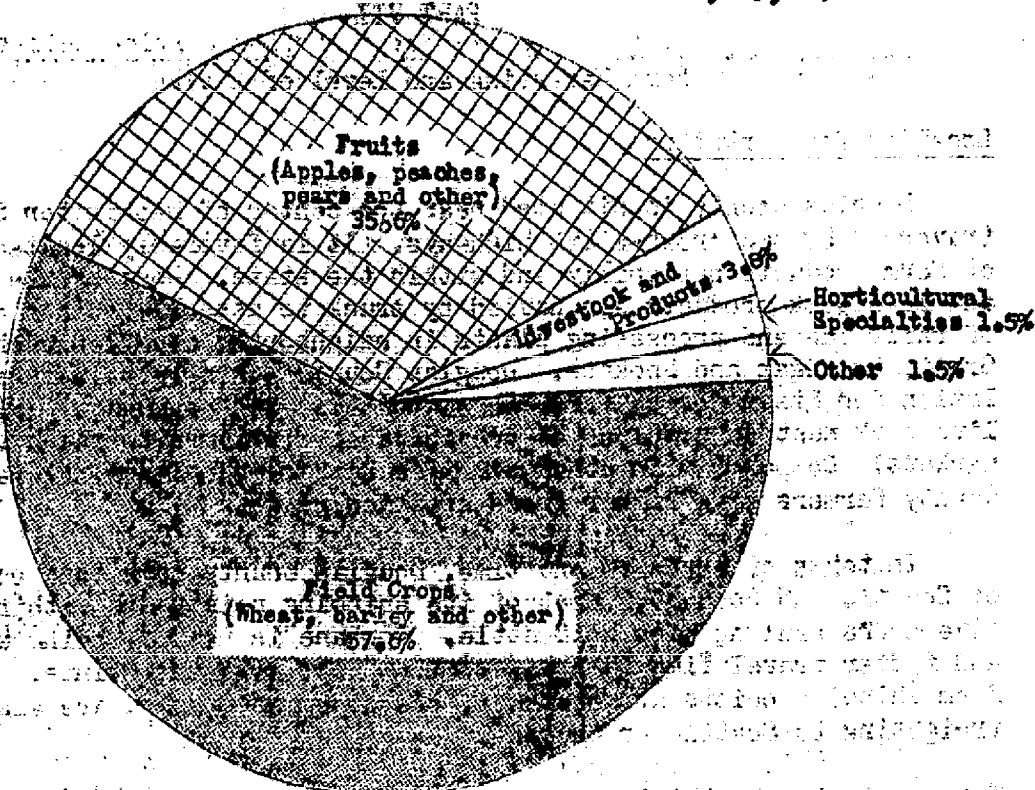


Figure 10.- Sources of Cash Income, Douglas County Farms, 1954

Source: U.S. Census, Agriculture

Gross Income, Value of Products Sold

The Census of Agriculture gives a measure of how much Douglas County farmers receive for the products they sell during a year. Gross receipts by farmers for commercial products sold off farms amounted to \$16,815,217 during the 1954 crop year. This placed Douglas County eleventh in the state in value of farm production. Sales of wheat and barley were by far the major sources of income. Valued at over \$9,600,000, wheat and other grains accounted for over 57 percent of all farm sales. Sales of fruit, mainly apples, peaches and pears, were a second major income source, valued at \$5,983,500. Fruit accounted for over 35 percent of farm income. Livestock, mainly beef cattle, was third in value at \$638,000, but was minor compared to the income from grain and fruit.

Marketing Crops

The largest agricultural marketing activity in Douglas County is the handling, storage and shipping of grain crops. Gross cash returns from field crops make up 57 percent of the total farm sales. In 1954, total sales of field crops amounted to over \$9,690,000. Wheat was the leading crop with sales of over 3,850,000 bushels valued at over \$7,700,000. Barley was a highly valuable grain crop with sales of 926,000 bushels valued at about \$930,000. Irrigated crops such as apples, peaches, pears, cherries and grapes make up the second

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most valuable type of cash crops. In 1954 fruit sales off farms exceeded \$5,983,000. Horticultural specialties and vegetable crops were of minor importance valued at approximately \$275,000.

Marketing Grain

Marketing of wheat and barley involves country buying, storage and shipping by truck and rail of over 4,500,000 bushels per crop-year. Most of the grain is delivered to country grain storage elevators and warehouses for further shipment to terminal markets or storages on Puget Sound, the Columbia River, Spokane or in other states. Country grain dealers and operators of elevators and warehouses have developed numerous facilities within and adjacent to Douglas County for buying, storing and marketing large volumes of wheat, barley, oats and rye.

Within Douglas County there were thirteen state-licensed public grain warehouses in 1958 with a total storage capacity of 3,245,000 bushels. ^{1/} Major Douglas County elevators and warehouses where growers transfer grain to dealers, buyers and shippers are located at Mansfield (1,580,000 bushels), Douglas (560,000 bushels), Waterville (405,000 bushels), Suppsee (360,000 bushels) and Alstown (340,000 bushels). In addition, large storage facilities used outside of the county are located at Wenatchee, Brewster, Coulee City, Almira and Wilbur.

Table 27.- Crops Marketed From Douglas County Farms, 1954

Type of Crop Sold	Amount Received By Farmers (Dollars)	Percent All Crops Sold
Field Crops (field corn, wheat, oats, barley, hay, grass seed, potatoes, etc.)	\$ 9,690,446	60.7
Fruits, Nuts and Berries (apples, peaches, pears, cherries, apricots, grapes, etc.)	5,983,546	37.5
Horticultural Specialties (trees, shrubs, cut flowers, plants, bulbs, seeds, etc.)	260,500	1.6
Vegetables (dry onions, tomatoes, cabbage, cucumbers, carrots, etc.)	14,418	
Total amount received by farmers for cash crops	\$15,948,910	

Source: U.S. Census, Agriculture

^{1/} Washington State Department of Agriculture. Public Grain Warehouses, Licensed 1958. Mimeographed. Olympia, Wash. 1958.

Marketing Fruit Crops

The second major farm product marketing activity in Douglas County is the buying, grading, packing and shipping of the area's large tree fruit production. Led by apples, growers received over \$5,900,000 for fruit in the 1954 crop-year.

Douglas County fruit marketing is closely tied in with that of Chelan and Okanogan Counties. Douglas County fruit is handled through a well-developed system of cooperatives and independent fruit marketing agencies located in the upper Columbia River Valley from Wenatchee to Brewster. Growers participate in eight fruit marketing cooperatives located in the Wenatchee district, three at Chelan and two each at Entiat, Pateros and Brewster. Douglas County fruit is trucked and ferried across the Columbia River to these major fruit shipping points. Douglas County apples, peaches, pears and cherries are merged with the supplies from Chelan and Okanogan Counties for rail shipment to major urban wholesale markets throughout the United States.

Recent estimates for 1957 indicate that Douglas County fruit shipments included approximately 2,680 carloads of all species. 1/ These include 1,300 carloads of apples, 130 of pears, 100 of peaches, 25 of apricots and 25 of sweet cherries. In terms of sale value to farmers, apple shipments in 1956 were about \$3,850,000, pears \$180,000, peaches \$160,000, apricots \$37,000 and sweet cherries \$75,000.

Marketing Livestock

Live animals sold for slaughter and as feeders and breeding stock are relatively minor when compared to the value of Douglas County's yearly shipments of grain and fruit. In 1954, live animals other than poultry made up only about 4 percent of all agricultural marketing. Sales of live animals amounted to about \$638,000. A break-down of sales showed 2,200 head of cattle for \$242,590, 4,256 calves for \$315,850, 1,720 hogs for \$66,360 and 430 sheep for \$7,180. Live animals were trucked or rail-shipped to auction yards at Coulee City and Okanogan or to terminal livestock markets in the Wenatchee, Spokane and Seattle areas. Many sales were feeders shipped to feeding yards in the Columbia Basin, Kittitas Valley and Yakima Valley. Country buyers for packing plants or feeding yards purchase large lots of live animals from Douglas County ranchers. Over 275 farms in the county made sales of cattle and calves during 1954.

Marketing Poultry and Eggs

Douglas County poultrymen sell mainly to a local and north-central Washington market. There is a small surplus of eggs and turkeys which are sold in the Wenatchee, Chelan and Brewster and Grand Coulee trade areas. Fryer chickens

1/ U. S. Department of Agriculture, AMS, and Washington State Department of Agriculture. Washington Fruit Crops, data for 1940-1956. Mimeographed. Washington Crop and Livestock Reporting Service, 348 Federal Office Bldg., Seattle, Washington.

are brought into the county from other regions. In 1954 about \$200,000 worth of poultry and eggs were marketed. Fresh eggs were the most important item. About 240 different farms sold eggs to egg candling and packaging plants or retailed them off their premises. Egg sales brought in over \$141,500. The Wenatchee trade area was the principal market outlet. A Washington Farmers Cooperative egg plant at Wenatchee is an important channel of marketing.

In 1954, commercial turkey raising was on a decline. There were nine commercial turkey raising operations. Altogether, they marketed about 6,000 birds for returns totaling \$18,000.

Table 28.- Livestock and Livestock Products Marketed
Douglas County, 1954

Class of Livestock Products Sold	Quantity Marketed	Amount Received by Farmers
<u>Dairy Products</u>		
Whole milk-----	329,119 lbs.	\$ 13,065
Butterfat-----	21,511 lbs.	11,425
Total all dairy products		\$ 24,490
<u>Poultry and poultry products</u>		
Chickens-----	47,939 birds	\$ 44,130
Eggs-----	334,400 dozen	141,549
Turkeys, ducks, geese----	6,000 birds	18,053
Total all poultry & poultry products		\$203,732
<u>Animals sold alive</u>		
Cattle-----	2,200 head	\$242,592
Calves-----	4,256 head	315,856
Hogs and pigs-----	1,721 head	66,359
Sheep and lambs-----	431 head	7,177
Horses and mules-----	50 head	2,935
Total all animals sold alive		\$634,919
<u>Other livestock and livestock products sold-----</u>		\$ 3,082
Total amount received for livestock and livestock products-----		\$866,223

Source: U.S. Census, Agriculture

Agricultural Income Compared to Other Income Sources

Agriculture is the most important segment of the Douglas County economy. Although construction, government and service trade employment has been increasing, agricultural income in 1954 accounted for over one-third the total. Net profits from sales of products off farms together with farm labor payrolls amounted to \$10,766,000 in 1952 according to a Washington State College study.^{1/}

^{1/} John A. Guthrie and Stanley Boyle, State College of Washington, School of Business, Bureau of Economic and Business Research, County Income Payments in Washington, 1950-1952. Bulletin No. 26, August 1954. Pullman, Wash.

Net agricultural income of farm operators and farm labor income has been increasing in recent years, going from \$9,672,000 in 1950 to \$10,766,000 in 1952. Not included in the agricultural income are the jobs which the primary agricultural production creates in storing, packaging and transportation.

Table 29.- Types and Sources of Income 1950-1952, Douglas County 1/

Type and Source of Income	Income in Dollars by Years			Percentage of County Income by Years		
	1950	1951	1952	1950	1951	1952
Agriculture	\$ 9,672,000	\$ 8,346,000	\$10,766,000	45.9	34.9	38.0
Construction	4,198,000	7,722,000	9,121,000	19.9	32.2	32.2
Government	2,487,000	3,351,000	3,700,000	11.8	14.0	13.1
Manufacturing	*	*	*	*	*	*
Service	413,000	491,000	456,000	2.0	2.0	1.6
Transportation, Communication and Utilities	694,000	704,000	821,000	3.3	2.9	2.9
Trade	986,000	1,119,000	1,189,000	4.7	4.8	4.2
Miscellaneous	269,000	246,000	246,000	1.3	.9	.9
Property Income	945,000	1,004,000	1,016,000	4.5	4.2	3.6
Other Income	1,384,000	990,000	1,007,000	6.6	4.1	3.5
Total	\$21,057,000	\$21,050,000	\$28,322,000	100.0	100.0	100.0

1/ John A. Guthrie and Stanley E. Boyle, County Income Payments in Washington, 1950-1952. Pullman, Wash. Washington State College, Bulletin No. 26.

* Less than one-half of 1 percent and included in miscellaneous.

Specified Farm Expenditures

Expenditures connected with agricultural production reduce the net income a farmer receives as profits from sales of crops and livestock. In the Census of 1954, farmers in Douglas County reported a total expense of \$3,575,655 for labor, petroleum products, feed, machine hire and fertilizers and other materials and services. The money the growers and farmers spend for these items supports a large share of the commercial activity in the cities and towns. Farms represent a substantial market for many services and materials supplied through East Wenatchee, Bridgeport, Mansfield and Waterville.

Table 30.- Specified Farm Expenditures in 1954, Douglas County

Type of Expenditure	Farms Reporting	Expenditure of all Farms	Average Per Farm
Machine hire.....	458	\$ 193,782	\$ 423.10
Hired labor.....	715	2,100,222	2,937.37
Feed for livestock and poultry	501	382,424	763.30
Gasoline, petroleum fuel & oil	891	722,448	810.83
Commercial fertilizer.....	516	174,789	338.74
Lime and liming materials.....	---	---	---
Total production costs.....	---	\$3,573,655	---

Source: U.S. Census, Agriculture

The greatest production cost in Douglas County agriculture is the total amount spent by fruit growers and grain producers for hired labor. Wages paid in seasonal orchard care and fruit harvesting are major items. This, together with seasonal wages in grain seeding and harvesting and livestock ranching exceeded \$2,100,000 during 1954. There were 715 farms using hired labor and average wage payments were over \$2,900 per farm. A second major cost is for gasoline and petroleum products used heavily in mechanized wheat and other small grain production and in cultivation of fruit orchards. Fuel and oil for tractors and trucks cost nearly \$722,500 during 1954. Douglas County farms were also a market for nearly \$175,000 worth of commercial fertilizers during the last Census year.

Level of Living on Douglas County Farms

On the whole, farm people have not enjoyed as high a level of living as city people. Farm incomes are lower on the average than urban incomes. Because of the isolated location of many farms, such conveniences as electricity, hot and cold running water and telephones have not been as easily available to farm families. This is the general situation in American agriculture.

In Washington State and Douglas County particularly, however, the farm population compares quite favorably with other population groups in conveniences of modern living. The farm family level-of-living index for the United States was 122 in 1950. With an index of 154, Washington ranked eleventh among the states.

Table 31.- Indices of Level of Living of Douglas County Farm Families, 1950 Compared with State and National Averages

Index Items	Percentage of total farm families with listed index items		
	United States	Washington	Douglas County
Farm Family Level-of-Living	122	154	185
Median Income per Family	\$1,567	\$2,380	\$2,735
Electricity	78.3%	92.5%	85.4%
Electric Hot Water Heater	17.4	49.1	61.3
Electric Washing Machine	58.7	85.4	76.8
Home Freezers	12.1	14.5	18.6
Mech. Refrigerators	62.7	77.4	92.5
Telephone	38.2	57.5	66.3
Hot and Cold Water Plumbing	23.8	70.4	58.9
Central Heating	18.1	17.8	26.8
Houses with More than One Person per Room	22.3	15.7	15.8
Automobiles	63.0	77.6	88.5
Travel 10 Miles or More to Trading Center	21.4	20.5	44.1

Source: Walter L. Slooam and Carol L. Stone, The Farm People of Washington at Mid-Century. State College of Washington, Washington Agric. Exp. Stations. Bulletin 557, February 1955. Pullman, Washington.

The farm family level-of-living index in Douglas County in 1950 was 185, considerably above the state and national average. A modern and high degree of rural electrification by public utility districts and private power companies is a major characteristic of high farm-home living standards. A high average farm-family income in the fruit and wheat growing areas is another factor. Douglas County farm homes are near or above state averages in use of electrical appliances, telephones, plumbing and central heating. It is above the national average in nearly all index items used to judge rural farm living standards and housing conditions. In the Washington State College study of 1955, Douglas County was tied for fifth with Grant County in the ranking of Washington counties as to standards or levels-of-living. 1/

As history and statistics presented in these pages have shown, Douglas County agriculture is a record of progress by its industrious people. In less than a century, those who have chosen to live on the soil have made it an important farming county. Its numerous fruit specialty farms, wheat and cattle ranches are basic to the economic well-being of the area. Some part-time farms provide a secure and wholesome way of life for those now employed in the new industries of the upper Columbia River Valley. Each orchard, wheat or cattle ranch stands as a living monument to the spirit of enterprise and progress and faith of the agriculturists who have chosen their homes in the Columbia River Valley and the higher plateau lands of the Big Bend Country of north central Washington.

Detailing the level of living in Douglas County in 1950

Item	Douglas County	State	National
1. Farm family income	\$1,200	\$1,100	\$1,000
2. Farm family expenses	\$800	\$750	\$700
3. Farm family savings	\$400	\$350	\$300
4. Farm family assets	\$10,000	\$9,000	\$8,000
5. Farm family liabilities	\$2,000	\$1,800	\$1,600
6. Farm family net worth	\$8,000	\$7,200	\$6,400
7. Farm family living standards	185	175	165
8. Farm family housing conditions	180	170	160
9. Farm family use of electrical appliances	185	175	165
10. Farm family use of telephones	185	175	165
11. Farm family use of plumbing	185	175	165
12. Farm family use of central heating	185	175	165
13. Farm family use of other modern conveniences	185	175	165
14. Farm family use of other modern conveniences	185	175	165
15. Farm family use of other modern conveniences	185	175	165
16. Farm family use of other modern conveniences	185	175	165
17. Farm family use of other modern conveniences	185	175	165
18. Farm family use of other modern conveniences	185	175	165
19. Farm family use of other modern conveniences	185	175	165
20. Farm family use of other modern conveniences	185	175	165

1/ Walter L. Slocum and Carol Larson Stone, The Farm People of Washington at Mid-Century. Experiment Station Bulletin 562, Washington State College, Pullman, 1955.